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PART I

IMPORTANT GOVERNMENT ORDERS

GENERAL SECRETARIAT

Redistribution of Villages among the five Hoblis in the Arsikere Taluk from 1st July 1934.

READ—

Government Order No. R. 5797-800—R. M. 66-33-2, dated 10th May 1934, sanctioning the redistribution of villages among the five marginally noted Hoblis in the Arsikere Taluk.

Letter No. C. 4560—30-31, dated 8th June 1934, from the Revenue Commissioner in Mysore, recommending that the redistribution of the villages referred to in the Government Order read above may be given effect to from 1st July 1934.

ORDER No. R. 6291-4—R. M. 66-33-4, DATED BANGALORE,
THE 25TH JUNE 1934.

Approved.

S. ABDUL WAJID,
Secretary to Government,
General Department.

Passes orders on the recommendations of the Motor Transport Committee.

READ—

Report of the Motor Transport Committee appointed in G. O. No. P. 21-29—Legis. 36-32, dated 10th October 1932.

(Printed as Appendix.)

ORDER No. CAMP P. 6-55—LEGIS. 38-33, DATED 18TH JUNE 1934.

In April 1931, the Government appointed a Committee presided over by Mr. S. P. Rajagopalachari, then Revenue Commissioner, to consider the desirability of

abolishing all tolls and local taxes on motor vehicles and the ways and means of making up for the consequent loss of revenue. The Committee's report was received in August 1931. Their main recommendations were as follows:—

- (1) All tolls (Municipal, District Fund and Provincial), including Frontier toll-gates to be abolished, but provision to be made for levying tolls *ad hoc* where special facilities such as a bridge or a newly-made road were provided; and that all Municipal taxation on motor vehicles be also abolished. The loss of revenue was estimated at Rs. 6½ lakhs;
- (2) This loss of revenue was proposed to be made up by the levy of a provincial tax on motor vehicles, the tax on motor cycles and cars weighing between 15 and 30 cwts. being Rs. 20 and Rs. 60 per annum, respectively, that on motor buses and taxies being on the basis of seating capacity at Rs. 30 per seat and that on lorries on weight and ranging from Rs. 300 to Rs. 1,100.
- (3) The local bodies to be compensated for loss of tolls and local taxes on motor vehicles on the basis of the average income for three years; and
- (4) That necessary legislation be introduced.

Government after considering the report and the various opinions expressed thereon, were disposed to accept the principle of a provincial tax for motor vehicles, but considered that frontier toll-gates should be maintained for the levy of toll on carts especially those carrying heavy loads of timber and decided to double the tolls on such traffic and also to examine the question of abolishing tolls only in respect of motor traffic, but continuing the existing tolls on other vehicles.

Meantime, Government had passed orders on certain recommendations of a previous committee—the Motor Vehicles Rules Revision Committee—(presided over by Mr. P. Mahadevayya) appointed in April 1930, to examine defects in the existing motor vehicles rules in certain respects. These orders included the enhancement of road mileage cess on motor buses plying for hire from July 1932. The enhancement of this levy led to much agitation on the part of bus owners. In view of the various representations made to them, Government appointed a Committee, in October 1932, presided over by Sir Charles Todhunter to examine the whole question of motor transport and make recommendations. Further action for the abolition of tolls and the levy of a provincial tax on motor vehicles was therefore deferred. The issue of orders on the remaining recommendations of the Motor Vehicles Rules Revision Committee, relating to measures for preventing accidents, the licensing of public service vehicles, the duration of permits and insurance against third party risks, was also deferred as these questions were expected to be covered by the Todhunter Committee. The latter Committee submitted its report in April 1933. After a preliminary consideration of the report, Government decided to await the outcome of the Simla Conference to which Mr. F. A. Hamilton, Inspector-General of Police, was deputed. Mr. Hamilton's report received in May 1933 showed that there was no chance of a uniform system of taxation being introduced in all Provinces and States and that inter-provincial reciprocity would be a matter of agreement between Provinces.

It was decided at the meeting of Deputy Commissioners and Heads of Departments, held in Mysore last Dasara to obtain the opinions of the Deputy Commissioners of Districts on the recommendations of the Committee. These opinions have since been received and considered by Government who are now pleased to pass the following orders on Sir Charles Todhunter Committee's proposals:—

I. Regulation of Motor Vehicles used for Transport of Passengers (Motor Buses).

The Committee propose that there should be adequate State control over the licensing of public service vehicles and the licensing authority should satisfy itself as to the suitability of the proposed route for the traffic, the extent to which the needs of the proposed route are already served, the extent to which the proposed service is desirable in the interest of the public, the co-ordination of all forms of passenger traffic including transport by rail, etc. It is also suggested that the licensing authority should see that the fares charged are reasonable and wasteful competition is avoided.

These principles have been recognised and adopted in Mysore. The District Magistrate who is the licensing authority has power to, and is in fact, expected to consider all these points in granting licenses for public service vehicles. The Committee admit that the defects that have been noticed are not due so much to the rules themselves, as to their administration. It is stated that the grant of an excessive number of licences has led to cut-throat competition and general loss. The action latterly taken by Government to reduce the number of licenses and to insist on reasonable fares being charged has improved matters to a great extent. But the Committee point out that there is an absence of co-ordination of the policy of District authorities.

2. The Committee, therefore, recommend that a central authority should be created with the designation of Traffic Board, presided over by a Member of Council, and including, as members, the Heads of certain Departments (Police, Railways, Public Works and Commerce) and non-official representatives of the agricultural population, the Chamber of Commerce, bus-owners and other motor interests. Several of the Deputy Commissioners who were consulted in the matter are not in favour of this proposal. They consider that problems of motor traffic should be decided by officers having local knowledge and that the existing system is sufficient. There is no doubt that no central authority can function effectively without the local knowledge and advice of the District Officers and that under any system, a great deal of power and responsibility will have to remain with the District Officers. But subject to this, Government consider that the creation of a central authority of the nature proposed by the Committee is quite essential. Provision will accordingly be made in the Regulation to be enacted, for the creation of a central authority. Government do not consider it desirable that the Chairman of the Traffic Board should always be a Member of Council. The Regulation to be passed will, therefore, provide for the Chairman being appointed by Government at their discretion.

3. As regards the question of Road-Rail competition, the Committee propose that no extra charge is to be made in the case of services on roads which run parallel to railways or which short-circuit them, but that the Railway administration may, in the former class of cases, be given the monopoly of running passenger buses. Government consider that the abolition of the system of extra road cess on railway competition routes and the grant of complete or partial monopoly to the Railway administration to run their own bus services is sound in principle. It is possible that the Mysore Railways may not be in a position at present to undertake to buy and put on the road a fleet of cars. But Government consider that beginning may be made in this direction by the Railway Department running motor buses on certain selected roads. The Agent, Mysore Railways, is requested to submit definite proposals in the matter. Government agree that the extra rate of cess now levied on railway competition routes should be abolished, unnecessary competition being avoided by strictly limiting the issue of permits for services on such routes. Such services should only be allowed to supplement and not to compete with the Railway services.

4. Another important recommendation of the Committee in respect of public service vehicles is that they should be compulsorily insured against third party risks. This proposal was considered by the Mahadevayya Committee and was regarded as premature. Not many accidents to public service vehicles are being now reported in Mysore. Government are disposed to think that compulsory insurance which involves a pretty heavy payment by way of premium is likely to act as a great hardship and would not be justified by present conditions. Besides, there are no Motor Insurance Companies existing in Mysore. Government therefore, consider that compulsory insurance of public service motor vehicles need not be insisted on at present.

II. Tolls.

The Committee propose the continuance of toll-gates for the levy of tolls on (1) bullock carts, (2) cars, lorries and other vehicles, belonging to residents in the State jurisdiction who elect not to pay a provincial road tax, and (3) motor vehicles belonging to non-residents entering the State. They also propose that all toll-gates

(except municipal toll-gates) should be controlled by the same authority, that is, the Government and that they should not be farmed.

(1) The abolition of toll-gates is a very desirable measure and would no doubt be heartily welcomed by the public. It was strongly advocated by the Rajagopalachari Committee who proposed the levy of a provincial road tax instead, and the proposal was agreed to in principle by the Government in respect of motor vehicles. The Todhunter Committee, on the other hand, have shown that while the abolition of tolls is very desirable, the levy of a provincial road tax is fraught with exceptional difficulties in Mysore. Government, therefore, consider that the proposals of the Committee to continue toll-gates, have to be accepted. They also agree that it is desirable to remove multiplicity of authorities in respect of tolls, and therefore, accept the Committee's proposal to vest in Government the control of all toll-gates, except those belonging to Municipalities. Proposals in the matter, including those in regard to levy of tolls on bullock carts will be placed before the Representative Assembly. Government consider that the rates of tolls proposed by the Committee are suitable and may be adopted.

(2) The Committee have proposed that the system of farming of toll-gates should be abolished and that all toll-gates, should be worked by Government agency. The majority of Deputy Commissioners are against this proposal. They consider that management by Government agency would be neither practicable nor desirable. Though there is some force in this view, Government feel that there are many gates which in their opinion, could well be managed by State agency instead of being farmed out.

III. Motor Vehicle Taxation.

The proposals of the Committee under this head are as follows:—

- (i) That all vehicles should continue to pay the registration fee levied for the purpose of identification, the fee to be paid once for all.
- (ii) All motor cycles and motor cars should, in addition, pay a provincial vehicle tax (on the same scale and in lieu of the existing city municipal vehicle tax), and in addition either pay tolls or have the option of paying a provincial road tax by way of composition for all tolls.

This proposal is reasonable. The maximum rate of provincial road tax on motor vehicles may be as proposed by the Committee, but Government are of opinion that the actual rates to be imposed may have to be in certain cases lower than the maximum proposed.

- (iii) Motor cars licensed to ply for hire should pay in lieu of the vehicle tax, a tax on seating capacity at Rs. 30 per seat and be liable to pay tolls or in lieu thereof, the provincial road tax.

(iv) Motor buses plying for hire on a fixed route in a rural area will pay a tax on seating capacity at Rs. 30 per annum and also a mileage cess of 6 pies per mile and not be liable to pay tolls. For running on special trips the mileage cess will be 9 pies. For plying for hire in an urban area the tax will be Rs. 30 per seat per annum. These proposals appear to be suitable and are accepted.

- (v) Motor lorries should pay a road tax based on unladen weight and varying from Rs. 120 for a lorry of which the weight is not more than 15 cwt. and is fitted with pneumatic tyres up to Rs. 900 for a lorry of 5 tons fitted with solid tyres with additional charge for trailers and an extra 50 per cent if used for hire purposes. Government accept these proposals.

IV. Railway Cess.

The Committee also make an important recommendation in respect of the collection and application of railway cess by District Boards, namely, that the accumulated railway cess funds be utilised on a programme of new road works and the collection of cess discontinued except when it is necessary to meet existing obligations. The principle of using the interest on railway cess accumulations for the construction and maintenance of roads has already been accepted and has been embodied in the District Board's Regulation. The Committee's proposal is only an extension of this principle and is approved.

V. Reciprocity with Madras and Coorg.

The Committee suggest that reciprocal arrangements may be entered into with Madras and Coorg. This matter is engaging the attention of Government, but further action will have to be deferred till the Committee's proposals, are given effect to by legislation.

The Committee's report makes a large number of subsidiary recommendations which are generally acceptable and would have to be incorporated into rules. In regard to the legislation to be undertaken to give effect to the proposals of the Committee as now accepted by Government, Government are of opinion that the Motor Vehicles Regulation based, as it is, on the Indian Motor Vehicles Act need not be amended. The proposals regarding taxation, central traffic authority, amendments of the Municipal and District Boards Regulations may go into another Regulation.

In conclusion, Government desire to place on record their high appreciation of the work done by the Motor Transport Committee, so ably presided over by Sir Charles Todhunter and to thank them for their Report.

S. ABDUL WAJID,
Secretary to Government,
General Department.

APPENDIX.

Report of the Motor Transport Committee, dated Bangalore, 2nd April 1933.

The Committee appointed in G. O. No. P. 21-29—Legis. 36-32-3, dated the 10th October 1932, to enquire into the matter of the regulation and taxation of motor transport, beg to submit their report.

The Committee have held twelve meetings and have examined 47 witnesses. They have also received a large amount of literature from other States and Provinces, and desire to express their special acknowledgments in this respect to Mr. N. N. Ayyangar, Deputy Secretary to the Government of Bombay, Public Works Department, to the officials of the Indian Roads and Transport Development Association, and to the Report of Messrs. Mitchell and Kirkness, which reached them just in time for consideration in connection with the latter part of their enquiry.

Owing to pressure of time, the form in which the Report is presented is unusual. It can best be explained by a reference to the procedure adopted by the Committee. This was, as the study of each branch of the subject was completed, for a note to be prepared for presentation to the Committee, together with a series of propositions arising out of the note. The Committee then discussed and modified the propositions so prepared, and made a record in their proceedings of the reasons for the amendments made. What is now presented to the Government is (1) a complete list of the propositions as finally arrived at backed by (2) a copy of the notes on which the original propositions were based, and (3) a copy of the proceedings which explain the reasons why some of these were modified.

The Report is presented in this form in view of the fact that it is understood that the Dewan desires to be in possession of the recommendations of the Committee before he leaves for Europe, and of the fact that the general conference on the Mitchell-Kirkness Report is to be held on the 24th April 1933. It can be replaced, if the Government so desire, by a coherent report, in which the original notes are modified in terms of the subsequent proceedings, and the propositions take their place as a summary of the whole. As, however, the Simla Conference is likely to involve far-reaching decisions on the whole subject, it may perhaps be doubted if it is worth while to recast the material collected by the Committee in the matter suggested.

While realising that the scheme of taxation that they put forward is far from ideal, the Committee think it right to point out that it has been arrived at only after a prolonged consideration of different alternatives and a prolonged balancing

of the claims of different interests ; and they feel they are entitled to ask that it be considered as a whole, and that single features of it, which may have been adjusted to meet the claims of other parts of the scheme, should not be considered as if they stood alone.

The Committee desire to record their acknowledgments to Mr. H. Rangachar, M.A., whose intimate knowledge of the railway side of the case, coupled with his untiring industry in the study of the other aspects of it, has been of the greatest value to them, and also to the members of the staff, Messrs. Zia Muhammad, B.A., Hanumanthappa and Vancheswara Iyer, B.A., who have shown unfailing diligence in the duties allotted to them.

P. POLLANJEE,
B. A. RAHMON,
M. G. RANGAIYA,
F. A. HAMILTON,
S. K. RAJAGOPALA IYER,
B. K. GARUDACHAR,
B. S. PUTTASWAMY,
H. V. RAMASVAMI,

Members.

H. RANGACHAR,
Secretary.

C. G. TODHUNTER,
Chairman.

PROPOSITIONS.

Introductory.

1. The development of motor transport has introduced a new factor in the life of nations.
2. While this is beneficial in its general results, it has given rise to many problems.
3. The progress of social organisation has not kept pace with that of invention.
4. The growth of vested interests has increased the difficulties.
5. The whole world is now in process of dealing with the problems raised.
6. In the case of problems connected with railways, the chief directions in which remedies are being sought are—
 - (a) Co-ordination of policy;
 - (b) Substitution of co-ordination in practice for competition;
 - (c) Improvement of the railway services;
 - (d) The granting of complete or partial monopolies of road services to railway companies.

Stage Carriages.

7. In the case of the bus traffic generally, there is a tendency everywhere, with one or two exceptions, to a greater or less degree of State control, extending in extreme cases to complete socialisation.

8. The system adopted under the English Road Traffic Act seems to be the best adopted to meet the difficulties that have arisen in Mysore.

9. Under this system, the licensing of public service vehicles is entrusted to Commissioners, who are required to satisfy themselves as to—

- (a) the suitability of the route or routes for the traffic;
- (b) the extent to which the needs of the proposed routes are adequately served;
- (c) the extent to which the proposed service is desirable in the interest of the public;

- (d) the needs of the area as a whole in relation to traffic;
- (e) the co-ordination of all forms of passenger transport, including transport by rail.

10. They may also make conditions for securing that—

- (1) the fares shall not be unreasonable;
- (2) the rates shall be so fixed as to prevent, in the public interest, wasteful competition with alternative forms of transport;
- (3) copies of time and fare tables shall be carried on the vehicle;
- (4) passengers shall not be set down or picked up at other than specified places.

11. Other important provisions of the Act are—

- (i) making compulsory the insurance of all motor vehicles against third party risks;
- (ii) requiring that the wages paid to road service employees shall be fair wages, and providing for appeal by any organisation of employees to the Industrial Courts.

12. The existing system in Mysore is in advance of many others, especially in respect of the levy of taxation on the mileage run.

13. The defects that have been noticed arise, not so much out of the rules themselves, as out of the way in which they have been administered.

14. The absence of co-ordination of the policy of district authorities is particularly noticeable.

15. The services could have been run at reasonable profit if reasonable fares had been charged. But the grant of an excessive number of licenses has led to cut-throat competition and widespread loss.

16. The first condition of the improvement of the system is the appointment of a central authority, which should lay down complete conditions governing fares, time-tables, number of vehicles to be run, nature of vehicles to be used, rates of wages and hours of work, and other matters.

17. Another essential should be insurance against third party risks.

18. These conditions being laid down, a definite schedule of services should be framed and licensees for these services should be selected by the central authority, regard being had to the following matters among others :—

- (a) the licensees must be of sufficient substance to manage the services efficiently, and to that end, it is desirable that they should make a deposit which can be drawn upon in case of breach of the rules;
- (b) some provision for competition should be maintained, but the rates being fixed, the competition must be in respect of the efficiency of the service;
- (c) for services other than inter-provincial services, preference may be given to Mysoreans as against outsiders;
- (d) other things being equal, preference should be given to the existing permit holders as against new comers;
- (e) it should be a condition of licensing a motor bus service that the licensee has ample garage accommodation;
- (f) preference should be given to applicants who can show that they have made adequate provision for running repairs.

19. The principal tax should still be on the mileage run.

20. If reasonable fares are charged, there is a margin of two annas a mile out of which taxes can be paid.

21. In the case of what are known as "Railway Competition Roads," the only logical solution, when the road runs parallel and close to the railway, as in the case of the routes from Bangalore to Chamarajnagar and from Bangalore to Chikballapur, is for the Railway Department to be given the exclusive option of running such services as the controlling authority may lay down.

22. These may include extensions which form feeders to the railway when the controlling authority cannot secure independent licensees to run them.

23. On roads that short-circuit the railway, the railway need not be given a monopoly, but may be favourably considered in making the selection of licensees.

Tolls.*

24. Theoretically, tolls are an unsound method of taxation. Practically, they afford the only means of levying from the bullock cart a payment proportionate to the use made of metalled roads; and if they are retained for that purpose, it is sound policy to retain them also for the purpose of the taxation of motor vehicles coming from other jurisdictions.

25. Practically, the working of the toll-gates in Mysore is worse than it need be. This is due to the multiplicity of authorities under whose orders tolls are levied, to the confusion of the law and rules, and to the practice of employing the system of farming.

26. Tolls levied in small municipalities are not taxes on transit, nor are they spent on the roads. They are merely terminal taxes, and should be given that name.

27. The tolls levied in the Bangalore and Mysore Cities are supplements to the vehicle tax. If, as is proposed later, that tax is made leviable on all cars possessed in the State, the collection of tolls from motor cars at these gates may cease.

28. The Provincial and District Board Gates should be managed by one traffic authority, under one law, and distributed throughout the State in such a way as to equalise the burden of the tax so far as possible. These gates should be provided with proper buildings, and with barriers that can be easily seen and quickly removed. The business of the gates should be conducted by a Government staff, in uniform and under proper control, the members of which should also perform duties connected with traffic control and traffic registration.

29. Buses which pay mileage cess should be exempted from tolls. In other cases, tolls should be levied.

30. The rate of tolls levied on bullock carts should be halved. That on lorries of unladen weight of over 30 cwt. should be raised to Rs. 8.

31. The rules relating to exemption from tolls should be drastically revised, and exemptions limited to (1) the case of actual agriculturists, using the roads for agricultural purposes, and (2) the case of privileged persons and of goods belonging to them. It is economically unsound to exempt from tolls goods belonging to a Commercial Government Department in order to give them an advantage in competition, and all existing exemptions of this nature should be cancelled.

32. Active endeavours should be made to popularise the use of wider tyres and better fitting axle-boxes on bullock-carts, and lower rates of tolls should be levied in the case of carts with tyres of a width of over 2½".

33. The Forest Department should compel their contractors to use broad-wheeled vehicles, which should pay tolls at the usual rates. All other timber carts should pay at the rate of eight annas for carts with narrow wheels and drawn by two bullocks, and four annas for similar carts with broad wheels.

34. The above proposals relate to tolls levied for maintenance. In the case of development works, it is legitimate, after construction of a work, to levy tolls on all traffic for a term of years in order to pay for the work.

35. The following tables exhibit the rates of tolls proposed to be levied and enumerate the exemptions proposed to be given:—

BRIEF SCHEDULE OF RATES OF TOLLS.

A. Motor Vehicles.—		Rs. a p.
1. On every motor cycle with or without a side car	...	0 4 0
2. On every four-wheeled motor passenger vehicle constructed to carry less than eight persons	...	1 0 0
3. On every motor bus as defined in the Mysore Motor Vehicles Rules	...	2 0 0
4. On every motor lorry, the unladen weight of which does not exceed 30 cwt.	2 0 0	
5. On every motor lorry, the unladen weight of which exceeds 30 cwt.	3 0 0	
6. On every other four-wheeled vehicle propelled by steam or other motor power	...	3 0 0

* Mr. Puttaswamy was not wholly convinced in regard to these propositions. While conceding that the Committee's proposals were logical, if only the question of taxation on transport was under consideration, he contended that, when the whole of taxation of all sorts, direct and indirect, was taken into account, the agriculturist was paying more than other classes of the community and therefore should be exempted from tolls.

B. Other Vehicles.—

		Rs. a. p.
1.	On every four-wheeled carriage	0 8 0
2.	On every two-wheeled carriage on springs other than a jutka or ekka	0 4 0
3.	On every two-wheeled ekka or jutka, laden	0 2 0
4.	Do do unladen	0 1 0
5.	On every other vehicle with springs, including tricycles	0 2 0
6.	Do cart or other vehicle drawn by two bullocks, buffaloes, horses, ponies, asses or mules, if laden with goods other than timber.	0 2 0
7.	Do do do *with timber	0 8 0
8.	Do do do if not laden	0 1 0

Half of the above rates are leviable on bullock carts with tyres over 2½" wide.

The rates are increased proportionately for carts drawn by a larger number of animals, and reduced for carts drawn by single animals.

EXEMPTIONS FROM TOLLS.

- (i) Vehicles belonging to His Highness the Maharaja and His Highness the Yuvaraja of Mysore.
- (ii) Vehicles belonging to the Hon'ble the Resident in Mysore.
- (iii) Vehicles belonging to the Dewan of Mysore.
- (iv) Vehicles belonging to the Postal Department and used exclusively for the carriage of mails.
- (v) Vehicles belonging to or exclusively engaged by British or Mysore Military or Police Officers in uniform and on duty.
- (vi) Vehicles belonging to members of the traffic staff or to officers of the Public Works Department when engaged on duties connected with the roads within their jurisdiction.
- (vii) Vehicles belonging to the Presidents of District Boards, when used by them on duty within their districts.
- (viii) Vehicles of States or Provinces with which reciprocal arrangements for exemption have been come to.
- (ix) Vehicles belonging to the Sanitary Bureau.
- (x) Vehicles used for ambulance purposes.
- (xi) Motor cycles and cars which have paid the road tax.
- (xii) Motor buses on account of which mileage cess is paid.
- (xiii) Motor lorries that pay service tax.
- (xiv) Motor lorries that pay road tax, when plying within the radius fixed.
- (xv) Carts of agriculturists living within a radius of five miles of any toll-gate should be free from tolls in respect of such gates when employed for agricultural purposes.
- (xvi) Bullock carts which within the previous 24 hours have paid tolls at any other Government toll-gate in Mysore.

Other Taxes on the Motor Traffic.

36. Mileage cess and tolls being accepted as part of the system, it remains to build up round them a balanced scheme of taxation which will be fair to all classes of vehicles.

37. The issues have been a good deal confused by variations in system and by the use of the registration fee for purposes of taxing the traffic.

38. The general tendency is towards adoption of a State or Provincial tax on the basis of seating capacity, weight or area. It is likely that reciprocity will in future depend on payment of this tax, and it is desirable therefore that it should form a part of the system.

39. Another general tendency is to apply an additional tax to vehicles plying for hire.

40. Fees are unnecessarily numerous and should be limited so far as possible.

* P. S. by Chairman.—Stone might also have been included.

41. After examining a number of alternatives, the Committee consider that the best general scheme of taxation in the circumstances of Mysore would be one combining the following taxes:—

(a) A 'vehicle' tax, which is partly a tax on status and partly a tax on "availability," and would involve the extension of the existing City Municipal tax throughout the State.

(b) A 'road' tax, which is a payment for use of the roads, throughout the State, and is in effect an optional commutation of tolls. It would be based upon unladen weight.

(c) A 'service' tax, which is a charge for the privilege of plying for hire. This would be based on seating capacity in the case of passenger vehicles and on unladen weight in the case of lorries.

(d) A mileage cess. This is a special charge for the grant of a limited monopoly of the right to ply and pick up and set down passengers along fixed routes.

(e) Tolls.—These are intended primarily for other road users and are the only equitable means of taxing bullock carts for the use of metalled roads. But they also supply a valuable adjunct to the system of taxation of motor vehicles in providing an easy means of collecting their share of road maintenance from cars, whether registered within or outside the State, that have not paid the road tax, and private lorries that are plying outside the fixed radius assigned to them.

42. In applying these taxes, it is desirable to maintain the existing City rates for the vehicle tax, and the Madras rates, so far as possible, for the road tax. The rates for the service tax will vary with the nature of the vehicle and the nature of the service.

43. The case of vehicles plying for hire, whether stage or contract carriages, in cities differs from the case of stage carriages outside, and is subject to a number of special considerations.

All things considered, the fairest way of dealing with these carriages at present seems to be to impose a service tax based on seating capacity at a single rate of Rs. 30 a seat for all classes of carriages, and to remit a number of miscellaneous fees.

44. In the following paragraphs, an attempt is made to exhibit the cumulative effect of the Committee's proposals as regards each class of vehicles in turn:—

(1) Motor Cycles.

(a) should pay a registration fee for purposes of identification at the rate of Rs. 4 for motor cycles below $3\frac{1}{2}$ horse power, and Rs. 8 for other motor cycles and for motor cycles with side cars.

(b) should pay a vehicle tax of Rs. 10 per annum for motor cycles and Rs. 15 per annum for motor cycles with side cars.

(c) should have the option of paying a road tax at the following rates, or of continuing to pay tolls:—

	Rs.
(i) Bicycles	30
(ii) Bicycles, if used for drawing trailers or side cars	40
(iii) Tricycles	40

(2) Motor Cars.

(a) should pay a registration fee for purposes of identification at the following rates:—

	Rs.
For light cars	16
For heavy cars	32

A car registered in some jurisdiction other than the Mysore State or the Civil and Military Station which is freshly registered with a Mysore number should pay a fee of Rs. 8.

(b) should pay a vehicle tax of Rs. 18 per annum for cars below 15 cwt., and Rs. 30 per annum for cars above 15 cwt.

(c) should have the option of paying a road tax at the following rates or of continuing to be liable to tolls :—

Class of vehicles	For vehicles fitted with pneumatic tyres		For other vehicles	
	Annual tax	Annual tax	Annual tax	Annual tax
	Rs.	Rs.	Rs.	Rs.
<i>Motor vehicles—</i>				
(a) weighing not more than 15 cwt., unladen	70	100		
(b) weighing more than 15 cwt., but not more than 30 cwt., unladen.	100	150		
(c) weighing more than 30 cwt., but not more than 45 cwt., unladen.	130	200		
(d) weighing more than 45 cwt., but not more than 60 cwt., unladen.	160	240		
(e) weighing more than 60 cwt., unladen	200	300		
(f) Additional tax payable in respect of such vehicles when used for drawing trailers—				
(i) for each trailer not exceeding 1 ton in weight, unladen.	40	60		
(ii) for each trailer exceeding 1 ton in weight, unladen.	80	120		
Provided that two or more vehicles shall not be chargeable under this clause in respect of the same trailer.				

(d) if licensed to ply for hire, should be free of vehicle tax, but should pay a tax on seating capacity of Rs. 30 per seat, excluding the driver's seat, and should be liable to tolls.

(3) Motor Buses.

(a) should pay a registration fee for purposes of identification at the following rates :—

Light	...	...	...	Rs. 16
Heavy	...	...	...	32

(b) if not licensed to ply for hire, should pay a vehicle tax of Rs. 60 per annum.

(c) if licensed to ply for hire, but for a strictly limited purpose only, e.g., in the case of a hotel bus, should pay a vehicle tax of Rs. 100 per annum.

(d) if licensed to ply for hire in any other case, should pay a service tax on seating capacity at Rs. 7-8-0 a quarter, or Rs. 80 a year; the driver's and conductor's seats not to be counted in calculating this tax.

(e) should have the option of paying a road tax at the rates shown under motor cars or of continuing to be liable to tolls.

(f) if used as part of a service running on a fixed route in a rural area, should pay mileage cess at 6 pies a mile, and should be exempted from tolls.

(g) there should be no extra charge for railway competition roads but the Railway Department might be given a partial or complete monopoly subject to their paying the tax on seating capacity and mileage cess.

(h) if licensed to run on special trips, should pay mileage cess at 9 pies per mile and should be exempted from tolls.

(i) should be subject to periodical examination, but should be exempted from inspection fees.

(4) Lorries.

(a) should pay a registration fee for purposes of identification at the following rates :—

Light	...	...	...	Rs. 16
Heavy, i.e., over 2 tons in weight, unladen	...	...	...	32

(b) should pay a road tax on unladen weight at the following rates:—

Class of vehicles	Quarterly tax	
	For vehicles fitted with pneumatic tyres	For other vehicles
Motor vehicles used in the course of trade and industry for the transport or haulage of goods or materials, including tricycles weighing more than 8 cwt., unladen.	Rs.	Rs.
(a) Vehicles not exceeding 15 cwt., in weight, unladen ...	30	45
(b) Vehicles exceeding 15 cwt., but not exceeding 25 cwt., in weight, unladen.	50	70
(c) Vehicles exceeding 25 cwt., but not exceeding 30 cwt., in weight, unladen.	70	90
(d) Vehicles exceeding 30 cwt., but not exceeding 35 cwt., in weight, unladen.	90	115
(e) Vehicles exceeding 35 cwt., but not exceeding 50 cwt., in weight, unladen	112½	150
(f) Vehicles exceeding 50 cwt., but not exceeding 70 cwt., in weight, unladen.	150	185
(g) Vehicles exceeding 70 cwt., but not exceeding 100 cwt., in weight, unladen.	175	225
(h) Additional tax payable in respect of such vehicles when used for drawing trailers—		
(a) For each trailer not exceeding 1 ton in weight, unladen ...	60	85
(b) For each trailer exceeding 1 ton in weight, unladen ...	125	160
Provided that two or more vehicles shall not be chargeable under this clause in respect of the same trailer.		

Lorries with two wheels fitted with solid tyres and others fitted with pneumatic tyres should pay at the rates for those with solid tyres.

(c) should be subject to periodical examination, but should be exempted from inspection fees.

(d) Licenses for private lorries should be granted only when it is established that they are necessary for the applicant's business, and should be limited to a fixed radius. When plying outside that radius, such lorries should be liable to tolls.

(e) Lorries licensed to carry goods other than those of the owners should pay a service tax of 50 per cent of the road tax, but should be exempt from tolls.

(f) Lorries and other mechanically propelled vehicles of over five tons should be prohibited from using the roads except on special permission.

(g) Lorries should be prohibited from carrying more than three persons apiece, in addition to the driver, except under a pass given by an authorised person.

45. Drivers and conductors should pay fees at the rates shown below:—

Drivers—	Rs.
First license	5
Annual renewal	3
Conductors—	Rs.
Licence	1

46. The road tax should be payable quarterly, and a distinctly coloured disc signifying payment of the same should be attached to the wind screen. A disc with a different shape should be issued for vehicles which are exempted from the tax.

47. The Government toll-gate staff should be instructed to allow cars bearing these discs to pass without stopping, but should keep a careful record of vehicles passing their gates both for taxation and for statistical purposes.

48. It is the duty of the Municipal Authority to provide stands for vehicles licensed to ply for hire.

49. The necessity for the provision of places for parking private cars is likely shortly to arise, and the Municipal and Traffic Authorities should be prepared to meet it.

Finance.

50. The Committee have been asked to report on the question of the best method of maintenance of roads under the new conditions.

51. For this purpose, the first thing to be done is to estimate the revenue likely to be available. The following are the details of the Committee's estimate of recurring revenues:—

	Rs.
Registration fees	9,600
Drivers' and Conductors' licenses	11,480
Fees for the possession and transport of petrol	8,530
Service tax	5,12,190
Road tax	2,06,720
Vehicle tax	9,000
Mileage cess	3,91,000
Share of the Local Fund Cess	3,80,000
Tolls	1,50,000
Fines and forfeitures	20,000
Contribution of the general tax-payer	6,75,000
 Total	 23,68,520

52. In addition to these revenues, there is a revenue applicable to development purposes under the following heads:—

	Rs.
The share of excise duty on petrol	3,00,000
Interest on railway cess fund	1,50,000

53. In addition to this again is the capital of the railway cess fund, which is never likely to be expended on railways, amounting to 29 lakhs.

54. On the expenditure side there have to be dealt with five classes of roads:—

	Miles
Class I roads	
(a) With very heavy traffic	453
(b) With heavy traffic	725
Class II roads	
Other main trunk roads and arterial roads	1,737
Class III roads	
Other metalled roads	1,509
Class IV roads	
Gravelled roads	1,330

55. The average cost of ordinary and special repairs of all but Class I (a) roads has amounted in the past to Rs. 8,37,291.

The average cost of development works has amounted to Rs. 2,68,000.

Deducting the cost of these works from the total of the recurring revenue available, there is a balance of Rs. 17,13,229 per annum, or Rs. 85,66,145 for a five-year period.

56. The average cost of maintenance of the 453 miles of Class I (a) roads with very heavy traffic for five years would be Rs. 6,08,750.

If this is deducted from the amount available, there is left a balance of Rs. 79,57,395.

57. The approximate cost of re-surfacing the 453 miles of roads with very heavy traffic—135 miles with tar grouting and 318 miles with tar surfacing only—is estimated at Rs. 71,26,200.

58. It is hoped that, if the work were taken up on a five-year programme, this cost could be considerably reduced.

59. On this basis there would be ample funds available for dealing with the whole of the 453 miles of the road with very heavy traffic as well as for maintaining the remainder of the roads, and there would be a balance of Rs. 8,31,195, or Rs. 1,66,239 per annum, available to meet the expenses of the Road Board and to cover the cost of the Road Traffic Staff.

60. The compensation to District Boards and Municipalities should be based on the average of their collections for the past three years. This calculation to be subject to revision every three years by an independent tribunal.

District Board Railways.

61. The advent of motor transport has completely altered the aspect of District Board Railway projects.

62. Even the projects already completed need further examination, but the materials for this are not at present available.

63. The funds accumulated for the projects that have not yet been undertaken belong to the Districts of Kadur, Tumkur and Chitaldrug.

64. A recent survey shows that none of the projects in these districts can possibly be remunerative.

65. The sum accumulated by the Kadur District Board would amply suffice for re-making the Kadur-Chikmagalur road and for putting a fleet of buses on it, whereas it would only pay a part of the cost of a railway which could never be remunerative.

66. The Tumkur and Chitaldrug Districts are the two districts in the State that need roads more than any other. They also need bridges.

67. The obvious conclusion is that the railway cess funds should be expended on a programme of new road works, which might be made remunerative. The collection of the cess should be discontinued except when it is necessary to meet existing obligations.

68. It would even be legitimate to spend part of them on modernising existing roads.

69. If the Railway Department are to run bus services themselves, they might also undertake them on behalf of District Boards.

Administration.

70. The first essential of the system of the future is co-ordination at all stages.

71. So far as concerns the law and rules, the All-India Act deals with motor offences and registration for purposes of identification.

72. Taxation has become a matter for provincial legislation.

73. In the case of Mysore a new Regulation will be necessary, if the proposed new taxes are approved, as well as some modifications of the Municipal and District Board laws. It will also be well to borrow several provisions of the English Law.

74. In the matter of rules, the draft model rules now under consideration, with possibly slight additions, seem likely to suit the case of Mysore.

75. Now that motor transport has become a factor in the life of the people, an active 'safety first' campaign is necessary.

76. The bicyclist is a great danger, and it might be considered whether he should not be required to take out a license.

77. There should be special provision for enquiry into motor accidents as in the case of railway accidents.

78. It seems probable that an All-India co-ordinating authority will be set up as a result of the Simla Conference.

79. Meanwhile it is very desirable to secure co-ordination and reciprocity between Mysore and its neighbours, Madras and Coorg.

80. In the case of the Civil and Military Station, something more than co-ordination is necessary, and it is suggested that the Residency should be moved to agree to a joint system of administration.

81. The difficulties that have arisen in the past through different interpretations of the same rules indicate the necessity for a co-ordinating authority as between districts.

82. It is also essential that there should be co-ordination as between the road and the railway policy.

83. And between the State Traffic Authority and the authorities responsible for giving the mail contracts.

84. The co-ordinating authority suggested is a Traffic Board consisting of the following members :—

1. The Member of Council in charge (President).
2. The Inspector-General of Police.
3. The Agent, Mysore Railways.
4. The Chief Engineer, P. W. D.

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5. The Director of Industries and Commerce.
 6. A representative of motor bus companies.
 7. A representative of other motor owners.
 8. A representative of the agricultural population.
 9. A representative of the Chamber of Commerce.
 10. The Traffic Manager (Secretary to the Board.)

85. The Secretary to the Board should also be a Traffic Manager with a varied list of duties.

He should be assisted in his functions by District Traffic Inspectors, who should have the powers of Inspectors of Police and should work under the direct orders of the Deputy Commissioners.

Under them, again, should be the traffic controlling staff, who should be fewer in number, but of a higher degree of intelligence and training than at present.

86. The staff at toll-gates will also be very valuable in connection both with traffic control and with road registration.

FINANCIAL SECRETARIAT

Permits payment of Commission to the Bank of Mysore for collection of loans on Policies granted to the insured persons in the Public Branch, etc.

READ—

Government Order No. Fl. 4326-85—G. F. 41-27-12, dated 1st December 1927, permitting the payment of commission of one-eighth per cent to the Bank of Mysore for collecting premia due from the insured in the Public Branch.

2. Letter No. 26038, dated 6—7th June 1934, from the Secretary, Mysore State Life Insurance Committee, requesting approval of Government, in the circumstances explained, to the payment of commission to the Bank of Mysore at the same rate of one-eighth per cent as on premium receipts on repayments of loans on Policies granted to insured persons in the Public Branch and other Miscellaneous receipts also.

**ORDER NO. FL. 8385-445—G. F. 429-33-2, DATED BANGALORE,
THE 26TH JUNE 1934.**

The proposal of the Committee is approved.

S. SHAMANNA,
*Secretary to Government,
Financial Department.*

Orders the temporary reduction in the rate of interest on loans on Policies of the Public Branch.

READ—

Government Order No. Fl. 7721-7780—G. F. 141-30-6, dated 9—11th April 1931, sanctioning the grant of loans to the Policy holders of the Public Branch on certain conditions.

2. Letter No. 23240, dated 10—11th May 1934, from the Secretary, Mysore State Life Insurance Committee, forwarding copy of a resolution passed in their meeting, dated 28th April 1934, to the effect that the rate of interest on loans granted to the Policy holders of the Public Branch be reduced from 7 per cent to 6½ per cent per annum and that the period prescribed in Rule 28 (4) of Public Branch rules be reduced from five to three years and requesting sanction of Government for this and other consequential changes in the Public Branch rules.

**ORDER NO. FL. 8446-525—G. F. 403-33-2, DATED BANGALORE,
THE 26TH JUNE 1934.**

Sanctioned temporarily for a year.

S. SHAMANNA,
*Secretary to Government,
Financial Department.*